

MEMORANDUM OF UNDERSTANDING
BETWEEN
U.S. CUSTOMS SERVICE
AND
U.S. COAST GUARD

The U.S. Customs Service of the Department of the Treasury and the U.S. Coast Guard of the Department of Transportation hereby agree to the following Memorandum of Understanding:

A. PURPOSE OF AGREEMENT

The United States Coast Guard (USCG) and the United States Customs Service (USCS) have mutual interest and concern regarding the enforcement of Federal statutes related to the suppression of violations of customs and transportation safety laws in intermodal freight containers.

The USCS recognizes the authority of the USCG to enforce the Hazardous Materials Transportation Act (HMTA) and the Safe Container Act (SCA), and that the Coast Guard has an interest in certain routine examination of cargo for assurance of HMTA and SCA compliance in which the Customs Service may have no enforcement concern. Similarly, the USCG recognizes the authority of the USCS to examine import and export cargoes for compliance with Customs laws and regulations. To ensure that both agencies' priorities and concerns are addressed, it is in the interest of both the USCS and USCG to maximize communication and cooperation in these enforcement objectives.

The parties have entered into this Agreement with regard to intermodal container inspections and examinations to:

1. Ensure that jurisdictional issues are clear and interagency relationships are fostered;
2. Promote the effective use of personnel and facilities through a cooperative effort;
3. Define the nature and extent of the services, systems, and authorities each agency will make available to the other; and
4. Provide for the timely interchange of information to permit proper planning and communication.

B. DEFINITIONS

Definitions of terms used in this agreement are as follows:

1. ACS - The Automated Commercial System, a computerized database operated by Customs which tracks containers, cargoes and shippers.
2. CES - Centralized Examination Station, operated by Customs in all ports of entry, where selected imported freight containers are taken for devanning and thorough examination.

C. AGREEMENT

The U.S. Coast Guard and the U.S. Customs Service agree that:

1. The USCG and USCS will work in close cooperation and support each other with respect to the suppression of violations of customs and transportation safety laws in intermodal freight containers.
2. All special dockside operations that impact hazardous materials transportation will be coordinated by officials at the local level. For the USCS this means the District Director; for the USCG this means the Captain of the Port (COTP), Commanding Officer of the Marine Safety Office (MSO), and/or the Group Commander.
3. At the local level in each port, each agency will designate a point of contact by position, location, and telephone number, and communicate this designation to its local counterpart.
4. Routine meetings to exchange information and address issues of mutual concern are highly recommended between Customs and the Coast Guard at the local level. These meetings should include, where possible, the TJSCS District Director and Special Agent in Charge; and the USCG COTP or the Commanding Officer of the MSO and Group Commander.
5. When Customs personnel determine that no probability of a Customs enforced violation exists with a particular shipment, the shipment will be authorized for delivery for Customs purposes.
6. Customs will assist the Coast Guard in arranging for the examination of hazardous material and suspected hazardous material cargo by the Coast Guard by providing contact and procedural advice. Examination of uncleared imported containers by the Coast Guard will be coordinated with Customs. Customs will not place a "Customs Hold" on hazardous materials cargo for the Coast Guard. The Coast Guard is responsible for making examination arrangements with the carrier.
7. If, in the course of conducting hazardous materials or other shoreside examinations, the Coast Guard discovers evidence of possible contraband and/or other Customs enforced violations, the Coast Guard will immediately contact the Customs designee for appropriate action which may include a joint enforcement response. Similarly, if, in the course of any Customs examination, Customs discovers evidence of possible hazardous materials transportation and/or any other DOT enforced violations, Customs will immediately contact the Coast Guard designee.
8. The Coast Guard is responsible for contacting and coordinating with commercial carriers, or their representatives, when seals are broken by the Coast Guard for examination.
9. The Coast Guard will ensure that all seals removed by it from -examined containers are noted, that the containers are re-sealed with Coast Guard seals after examination, and that this sealing information is made available for Customs, should subsequent questions arise.
10. When it is determined that Customs has an interest in examining containers targeted by the Coast Guard, Customs will coordinate a CES examination. However, shipments that pose transportation hazards will be examined at a site determined by the Coast Guard.

11. If the Coast Guard has an HMTA inspection interest in any CES inspection operation, the Coast Guard designee will contact the Customs designee concerning permission to have Coast Guard personnel present during the inspection operation.
12. When a shipment is seized or detained by Customs or the Coast Guard, and the shipment is to be moved on public highways under Customs or Coast Guard control, the controlling agency shall ensure all motor carriers used in such a movement possess a rating other than "unsatisfactory" from the Federal Highway Administration.
13. The designated local point of contact at Customs should be kept advised of shippers and importers who are suspected violators of DOT regulations for review and possible inclusion in the ACS database. Local points of contact will determine the extent of information to be exchanged and feedback desired.
14. Cross-training concerning these examination procedures will be provided by each agency at the local level.
15. Each agency will keep the other advised of all public affairs matters, including news releases, that concern the other agency. News releases of national interest will be coordinated between the appropriate public affairs information personnel in Washington D.C. and released simultaneously whenever possible. Releases of local or regional interest will be coordinated and released jointly at the USCG Area or District level and the USCS Regional or District level, with copies sent to each agency's headquarters Public Affairs/Information office. Each agency will exercise its own discretion in responding to inquiries with factual information concerning its own actions.

D. TERM OF AGREEMENT

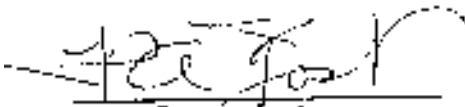
1. Consistent with the purpose and provisions of this Agreement, a local working agreement may be developed by and between USCG Area or District Commanders and USCS Regional Commissioners or District Directors. No provision of any local agreement may contravene the spirit or letter of this Agreement. Copies of such working agreements will be forwarded to Commandant (G-MPS) and the Commissioner of Customs (I&C) when executed.
2. This Agreement and any local Agreement pursuant to paragraph 1 of this section may be amended from time to time as may be mutually agreeable to the parties thereto.
3. This agreement will be effective from the date of signature. It may be terminated by either party upon 60 days advance written notice thereof to the other party. Upon termination of this agreement, any subsidiary agreements made in accordance with paragraph 1 of this section will also be terminated.

E. NO PRIVATE RIGHT CREATED

This document is an internal government agreement and is not intended to confer or create any right or benefit on any private person, or party.

F. AUTHORITY

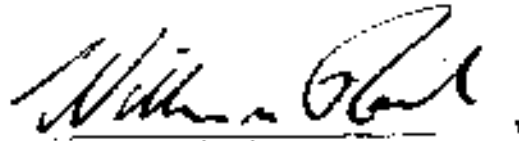
1. Agreements between the USCG and USCS are entered into under the authority of 14 U.S.C. 141. The authorities to perform the responsibilities contemplated in this agreement are delineated in 49 U.S.C. 1808 and 46 App. U.S.C. 1504.
2. This Agreement has no impact upon nor does it amend the Interagency Agreement between the USCG and USCS dated July 10, 1978, which addresses interagency cooperation in the interdiction of contraband within the Customs Waters and on the high seas, and the USCG and USCS, Drug Interdiction Lead Agency Role Memorandum of Understanding, dated May 11, 1987.



Commandant R. A. Tabor
U.S. Coast Guard

12/12/89

Date



Commissioner
U.S. Customs Service

01/24/89

Date